# The Power of Mail An Integrated Marketing Campaign



### Priority Mail Flat Rate Box Campaign—The Untold Story

2007 2008 2009 2011 Background Research Ta Da! Ta Da II to the Rescue **Priority Mail** The Campaign **Flat Rate Boxes** were the answer! •USPS had multitude of shipping products to to date Free Supplies 38% of all PM is now Flat Rate • Powered the growth of Priority Mail **GOAL:** Flat Rate Boxes **Increase Shipping** • DM generated more kit requests, Revenue/Volume more efficiently, than all other channels combined



### **Integrated Flat Rate Box Campaign**



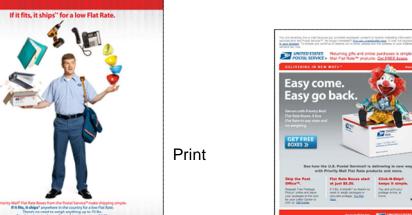






If it fits, it ships: GET FREE BOXES »

Don't miss out on your FREE kit and up to \$160 in offers.



Web

fits, it ships.

medium box: \$10.35

E-Mail







There's still time to get your FREE kit with up to \$160 in offers.

Hurry — offers end soon!

### Direct Mail led the way.

Direct Mail was the biggest response generator with over **2.12 million** shipping kit requests.



Source: USPS campaign data; May 2009 - July 2011

### Many channels. One stood out.

When seeking consumer response, Direct Mail outperformed all other channels **combined**.

Response by channel

Direct Mail:	57%		
Web Banners:	2.3%		
Print:	8.1%		
Email	6.2%		
DTV:	6.2%		
Search:	3.8%		
Otheri	16.1%		

Source: USPS campaign data; May 2009 - July 2011

### Print advertising took off after BRM was added.

Including a BRM in our print ads achieved a 600% increase in response.



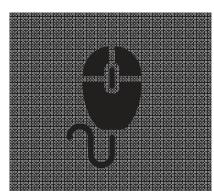
### Direct Mail generates responses.

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### Mail delivers them.

Given the choice in a Direct Mail piece, recipients overwhelmingly respond by mail:

Online: 15% QR Code: 5%







Source: USPS campaign data based on Direct Mail drops 3/14/11 - 5/8/11

### **Direct Mail is cost-efficient.**

Direct Mail has a low cost per lead (CPL by channel)

Email: \$1

Direct Mail: \$11 (includes postage)

Search: \$34

Interactive TV: \$40

Print: \$54

DRTV: \$140

Online: \$244



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### Direct Mail is a smart investment.



ROI:107%

Does your marketing channel give you back more than you put in?



Source: Campbell Ewald analysis based on USPS campaign data and 2009 colography data. Includes estimated postage.

### The power of mail was impossible to ignore.





### **Direct Mail delivers:**

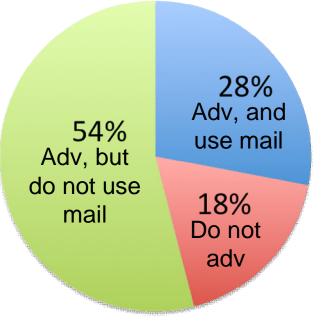
- Targeted Messaging
  - Measurable Response
    - Lead Generation
      - Low Cost Per Lead
        - High Return On Investment





## We Know Mail Works. Why doesn't everyone use it?

### Advertising & Direct Mail Use By US Businesses



- Non-users: 3x value
- Greater opportunity:<50 employees</li>

### **Macro Challenges to Mail**

- Electronic Diversion
- Economics:
  - Print Cost
  - Modest Adv Growth (+2%)
- Channel Choice
- Complexity
- Low Awareness/Image



# Back to Research 1) Online surveys on 8 Direct Mail TV concepts

Mailing Industry Stakeholders invited by USPS (involved in the process and provide feedback)

MB survey content

- Business Marketing Decision Makers with annual advertising budgets of \$2500+
  - Included current-, lapsed- and non-DM users
  - 1,350 total interviews; 150 per animatic
- Residential CEO's of Mail
  - 1,350 total interviews; 150 per animatic



# First Class Mail Tested 4 First Class Mail TV concepts

### Online surveys:

- Business Decision Makers for Sending Billing Statements to Customers
  - 650 total interviews; 150 per animatic, 200 for split version of 'Security'

#### Residential CEO's of Mail

600 total interviews; 150 per animatic





### **Mail Promise Testing Results**

### **Business**

Promise	Increase Usage	↑ Perceptions Ad Mail	† Perceptions USPS
Every Door Direct Mail	55%	62%	65%
Tools that make DM easier	53%	60%	61%
ROI/Grow your business	48%	56%	40%
Competitive Advantages	47%	52%	50%
Technological advancements	46%	51%	50%
Integration	44%	51%	48%
Environmental	40%	46%	46%

**1.** 

Specific product news most compelling

### Residential

Promise	Increase Usage	↑ Perceptions Mail	↑ Perceptions USPS
Forever stamps	52%	66%	71%
Deeper meaning	44%	55%	55%
Create mail online	37%	45%	49%
Value	27%	45%	48%
Mail connects to business and community	26%	38%	41%
Environmental	20%	33%	42%

2.

Businesses are revenue opportunity, yet residential attitudes are important, too

### Breadth of Mail Marketing/ Communication Effort

1

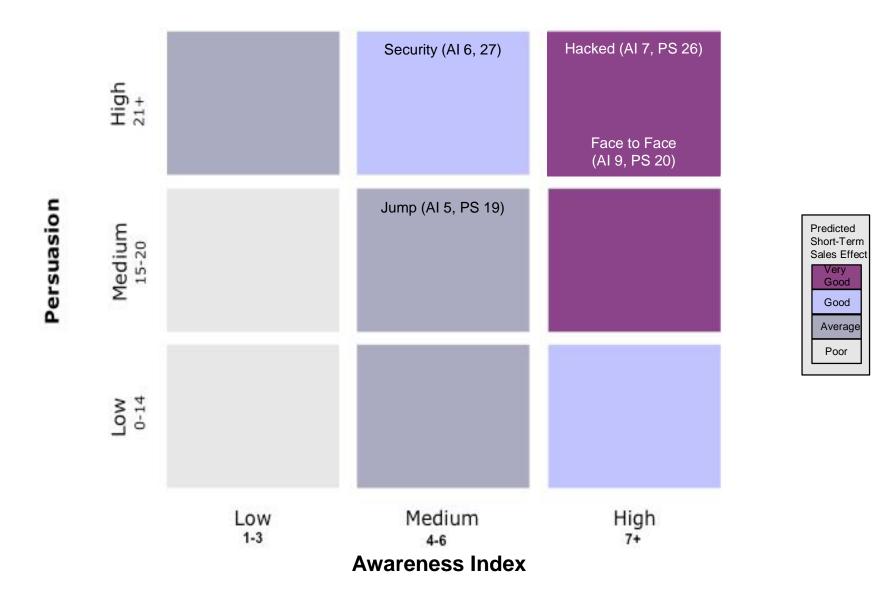
**Sell** Mail **products** to business

2

Show residential customers **using** Mail, to convince businesses that there is a **strong value to being in** the Mail



### First Class Mail Persuasion & Awareness – Business



### **Objectives**



- Gain insight into business and residential customer attitudes toward First-Class Mail
- Assess the impact of USPS communications on perceptions of mail and USPS

### **Key Findings**



### Perceptions of USPS and First-Class Mail are positive

- Even at a time with USPS frequently in the news, participants think positively of the brand and of mail overall
- Mail is trustworthy, reliable, personal and slightly preferred for bills and statements

#### Businesses underestimate the value residents see in mail

- 36% of residents reported seeing little value in mail while 64 % of businesses think residents see
   little value in mail
- Business and residential customers are roughly comparable (~50%) in their beliefs that statements received in the mail:
  - Offer a higher level of privacy than electronic statements
  - Are easier to manage than electronic statements
- Perceptions vary by age cohort, but not as dramatically as might be anticipated
  - The biggest differences in terms of viewing mail as easier to manage and personal area really between those over and under 55-years-of-age, rather than between millennials and gen-x or boomers

### **USPS**

"Hacked" :30 ("statement or receipt")

offline

15 Sept. 2011

### USPS

"Face to Face" :30 (no "power")

offline

15 Sept. 2011